FINAL STAFF EVALUATION FOR ENVIRONMENTAL CHECKLIST SEP16-00004

Date: 7 December 2016

Project Name: Kelkari Phases 2 and 3

Applicant: IS Property Investments, LLC
419 Occidental Avenue S, Suite 300
Seattle, WA 98104

Contact: David MacDuff

Location: 1000 Cabin Creek Lane

Legal Description: (See Environmental Checklist)

S-T-R: SE ¼, Section 33, Township 24N, Range 6E
Principal Parcel #: 380090-0010, 0020, 0070; 0080, 0090, 0100; 0120, 0130

Project Size: 902,782, 20.7 acres

Proposal: Site preparation and the construction of 72 multi-family residential units. The proposal also includes grading (approx. 5 acres), landscaping, trail relocation, utilities and paving for parking and maneuvering areas.

Existing Zoning: MF-M
Proposed Zoning: (Not Applicable)
Comprehensive Plan Designation: Multi Family Residential

A. BACKGROUND:

Pursuant to WAC 197-11-340(2), the City of Issaquah is required to send any DNS which may result from this environmental review, along with the checklist, to DOE, the US Army Corps of Engineers, other agencies with jurisdiction, affected tribes and interested parties. Therefore, the City will not act on this proposal for 14 days after the DNS issuance.

Phasing
Phase 1 of Kelkari was constructed in 1999 and includes 63 residential units. The current proposal is expected to be built in 2 phases (Phases 2 and 3) with Phase 2 commencing as soon as permits can be issued. The current Master Site Plan will expire 31 August 2017, unless the current project becomes vested.

Environmental Information
Other prior environmental information, which has been prepared for the site, includes an EIS (DEIS 23 April 1996, FEIS 31 July 1996. The EIS documents provide an extensive evaluation of the potential impacts and required project mitigation. The environmental mitigation conditions from the EIS documents (1999 Decision Document, Resolution 98-15 Conditions of Approval) still apply to the current proposal. This environmental review incorporates the findings from this prior environmental review and considers how the revised proposal may cause environmental impacts that have not been previously evaluated.

The following information was prepared in support of the current checklist application and is incorporated by reference. These documents are available for review at the Development Services Department during regular business hours.

Kelkari SEPA Compliance Narrative, September 2016.
Wall Exhibit, Core Design, 30 August 2016
Site Disturbance Exhibit, Core Design, 19 September 2016
Preliminary Technical Information Report, Core Design, 16 December 2015
Wetland & Stream Delineation Study, Watershed Company, 12 February 2016
Critical Area Study, Watershed Company, 15 February 2016
Technical Memo, Watershed Company, 13 April 2016
Wetland Stream Delineation Study, Watershed Company, 19 July 2016
Response to ESA 19 July 2016, Revised 22 July 2016, Watershed Company, 22 July 2016
Response to 2nd ESA Review, Watershed Company, 31 August 2016
Biological Evaluation, Watershed Company, 15 February 2016
Bio Evaluation RE: NWS-2016-119, Corps of Engineers, 31 May 2016
ESA Section 7 Informal Consultation, NMFS, 6 July 2016
Geotechnical Report, Terra Associates, 29 December 2015
Critical Area Report, Terra Associates, 11 February 2016
Critical Area Report (revised), Terra Associates, 19 July 2016
Geo-tech review letter, Terra Associates, 19 July 2016
Slope Stability, Terra Associates, 18 August 2016
Geo-tech memo, Terra Associates, 30 August 2016
Cultural Resources Memo, Tierra ROW, 22 January 2016
Corps of Engineers NWS-2016-00119 (DAHP), 13 July 2016
Traffic Impact analysis, TENW, 8 February 2016

Additional Approvals
Minor amendment to the Master Site Plan, Site Development Permit and Binding Site Plan. MSPA 16-00001; BSP 16-00001, ASDP 16-00004.
City of Issaquah Construction and Building Permits
Department of Ecology NPDES General Stormwater permit
US Army Corps of Engineers Nationwide Permit 29 (NWS-2016-0119)

B. ENVIRONMENTAL ELEMENTS:

1. Earth:
The soils are classified as Alderwood gravelly sandy loam 15 to 20 percent slopes and Beausite gravelly sandy loam 15 to 30 percent slopes. Alderwood gravelly sandy loam, has moderately rapid permeability in the surface layer and subsoil and very slow in the substratum. Available water capacity is low. Runoff is slow-to-medium and the hazard for erosion is moderate.

While the site's soils are not inherently susceptible to erosion, the proposed development will require grading and excavation activities across approximately 5 acres of the property combined with the export of approximately 6,000-7,000 cubic yards of material to make final site grades and to achieve proper slopes for drainage. In addition, a minor quantity of imported structural material may be necessary to complete the project.

Loose soil, disrupted during site construction activities, creates the potential for erosion and soil displacement. Without proper erosion and sedimentation control measures in place prior to the commencement of construction activities, there is a potential for adverse impacts to occur on earth resources. Appropriate measures shall be taken and incorporated into construction plans to ensure that construction operations do not result in erosion and sedimentation impacts on water quality and on nearby critical areas and drainage courses. At a minimum, erosion control measures should include the installation of temporary and permanent erosion control improvements, and appropriate stabilization of filled and graded areas which are not immediately developed.

Prior review of the site's earth conditions determined that many of the steep slopes were manmade and therefore we not considered critical areas. Although prior approvals considered geo-technical hazards of the site, the City determined additional resources should be employed to consider geotechnical issues. The City routed all geotechnical information to Golder Associates. All comments from the 15 September 2016 peer review by Golder Associates will be incorporated into site work and construction plans by the applicant.

Slopes on the site generally range between 15% and 30%. There are some steep slope areas over 40%. However, the slope areas over 40% have been determined to meet the limited exemptions in the City's Critical Area Regulations (IMC 18.10.580.E) and therefore are not considered regulated steep slopes and the exempted slopes may be altered and don't require steep slope buffers. The Code exemptions apply: 1) to steep slopes that are man-made, created from previous legal grading activities; and, 2) to steep slopes with a vertical elevation change of less than 20 feet. The steep slope areas on the site are the result of historic gravel mining activities. This determination is consistent with the original land use approval.

An extensive geotechnical review of the steep slopes and proposed grading was conducted, including a geotechnical peer review prepared by Golder Associates (Golder Associates Peer Review, September 15, 2016) on behalf of the City. Golder's review concluded the geotechnical information and analysis demonstrates adequate post-construction slope stability.

Terra Associates, the applicant's geotechnical consultant, summarized their geotechnical recommendations (Terra Associates, Geotechnical Recommendations Summary, September 27, 2016) following the completion of their geotechnical evaluation and the Golder peer review. The recommendations from Terra Associates include:

1) Install intercepting drain on up-gradient western site of Phase III. As discussed in the referenced geotechnical report, drain invert should be a minimum of three feet below the elevation of the lowest adjacent building floor. Installation of the interceptor drain should be observed by a representative of Terra Associates. Drain effectiveness in controlling groundwater flows to allow grading to occur would be verified by monitoring discharge and water levels at the existing observation wells.

2) Based on the results of the field exploration program, we've concluded that existing fill soils are suitable for support of lightly loaded spread footing foundations. It will be critical that this is confirmed during site grading and building foundation construction, particularly where the existing fills will be relied on for support of site retaining walls. As discussed in our referenced geotechnical report, areas of loose existing fill soils that may not be suitable for immediate support may encountered at wall and building foundation grade. If found the contractor must re-compact the loose subgrade to achieve suitable bearing conditions or excavate and remove the unsuitable fills and replace them with structural fill. All bearing subgrade for wall and building foundation support must be observed and approved by a representative of Terra Associates.

3) A representative of Terra Associates should be onsite full time during mass grading and wall construction to verify fill placement and wall construction is being completed in accordance with the approved construction plans. Our representative would also observe existing adjacent slopes for signs of instability related to the construction.

Golder Associates reviewed the geotechnical summary recommendations and recommends additional geotechnical review of detailed, final grading plans and retaining wall design as follows:

1) The applicant shall demonstrate adequate post-construction slope stability for all existing steep slope areas based on the final grading plan. This shall be reviewed prior to issuance of construction permits.
2) The applicant shall demonstrate adequate post-construction slope stability for all retaining walls and newly created slopes based on the final grading plan. This shall be reviewed prior to issuance of construction permits.

3) Interceptor drains on the up-gradient western side of Phase 3 shall be installed prior to any construction activity to control groundwater flows. Design details of the interceptor drain shall be included on construction plans and approved prior to issuance of construction permits.

Coal mine hazard areas were identified and analyzed in the EIS documents. Coal mine hazard areas are not present in the Phase 2 and 3 development areas.

2. Air:
Air pollution is the presence of air-borne residuals such as dust, fumes, and smoke at levels causing injury to life and/or property. Air quality is regulated by the Environmental Protection Agency, Washington Department of Ecology, the Puget Sound Air Pollution Control Agency and through local policy direction. In particular, controls have been placed on emissions of carbon monoxide, hydrocarbons, photochemical oxidants, total suspended particulates and lead; the pollutants typically associated with urban development.

Short-term impacts on air quality will occur during construction, site clearance and paving operations. Construction activity, especially excavation operations, removal of vegetation and site modification work, will contribute to the short-term increase in local particulate levels. Construction activity will also contribute to increased carbon monoxide levels resulting from the operation of construction machinery and construction vehicle access to the site. Minimizing the increased levels of suspended particulates is a priority for the City. Dust control including street sweeping, street washing, watering the site, etc., may be required as part of the site work permit.

Longer-term impacts due to vehicle emissions and the release of emissions from building equipment will vary in level according to the amount of traffic generated in the future, and from the specific operations of the building. It is anticipated that the project will contribute to the cumulative effects of increased air pollution through an increase in vehicular trips to the area. The reduction of units with this revised proposal will result in less impacts than was evaluated with the prior EIS. With mitigation measures in place, it is not anticipated that the traffic or diminished filtering capability of the property will cause a significant, long-term adverse impact on the surrounding area.

3. Water:
Water pollution is the presence in water of some contaminant that produces a change in its physical, chemical or biological characteristics that can harm the health and welfare of living organisms or natural systems. Urban runoff can contain any number of pollutants, including suspended solids, oxygen-demanding wastes, organic chemicals, heavy metals, petroleum products, bacteria, and nitrate and phosphate nutrients. During construction, measures will be required by the City to contain runoff within the development area and to preclude uncontrolled releases into the wetlands or creeks.

Seven (7) wetlands have been identified on the site and wetland delineations were updated in 2015-2016 and then verified by an independent City peer review (ESA, July 29, 2016). The original proposal (1999 Decision Document) would have resulted in direct wetland fill impacts of 5,837 SF and 1,300 SF of indirect "paper fill" impacts. "Paper fill" is where the wetland buffer is impacted up to the edge of the wetland; it avoids direct wetland fill impacts but the indirect impact is that the outer part of the wetland is converted to provide buffer functions. Wetland "paper fill" was approved with the original permit application. An Army Corps of Engineers Nationwide Permit (NWP) was approved for the wetland fill and paper fill under the original permit, but has since expired.

The revised development proposal reduces the area of direct wetland fill from 5,837 SF to 4,403 SF and increases the "paper fill" area from 1,300 SF to 5,839 SF. The applicant proposes to mitigate the direct wetland impacts off-site, purchasing credits from the King County Mitigation Reserves program (MRP) (The Watershed Company, ILF Use Plan, October 4, 2016, and Wetland Fill plans, October 12, 2016). This is allowed by the City Code. The off-site mitigation is required by the U.S. Army Corps of Engineers as the previously-proposed, on-site mitigation would necessitate impacting an established second growth forest (currently the wetland buffer) and due to concerns of successfully creating wetlands on a sloped site. The City's Critical Area Regulations allow for off-site wetland mitigation (IMC18.10.720.H). The King

County mitigation sites are situated within the Issaquah Creek watershed, which is one of the criteria for allowing off-site mitigation.

The revised proposal would result in 6,064 SF of "paper fill" impacts. The wetland buffer areas for Wetlands 2, 4, and 6 that would be eliminated as a result of the paper fill are located downslope of the wetlands and therefore provide no hydrologic support or water quality protection for the associated wetlands. Therefore, the "paper fill" buffer impacts are unlikely to impact the wetland hydrology of these wetlands.

Mitigation for the "paper fill" indirect wetland impacts would be located on-site through a combination of wetland and wetland buffer enhancement (The Watershed Company, Mitigation for Wetland and Stream Impacts, November 1, 2016 and October 25, 2016 Mitigation Plan). There is no direct reference to buffer mitigation ratios for "paper fill" in the City's Critical Area Regulations. However, buffer impacts are typically mitigated at a 1:1 mitigation ratio. To compensate for the loss of all buffer adjacent to the affected wetland, the applicant proposes enhancement of wetland/wetland buffers at a minimum 2:1 enhancement ratio, to ensure no net loss of buffer functions. The wetland and wetland buffer areas proposed for enhancement are degraded, lack structural and plant species diversity and are dominated by invasive plant species (mostly reed canarygrass).

Due to site topography, substantial grading and use of retaining walls are necessary to accommodate the proposed development. The walls have generally been reduced in length and height from the original plan. Walls are located in close proximity to wetlands, in order to reduce direct wetland impacts. In order to address the potential hydrologic impacts of draining the wetlands, a non-draining wall design will be utilized to maintain wetland hydrology. This will be addressed with the construction plan submittal.

The Critical Area Regulations require the following measures:

1) The outer extent of the critical area buffers shall be fenced in the field with installation of temporary erosion sedimentation control (TESC) measures, prior to beginning construction and maintained through the duration of construction activities.
2) Permanent survey stakes using current survey standards shall be set to delineate the boundaries of the critical area buffers.
3) Critical areas shall be fenced to limit encroachments from pedestrians and dogs. Fencing locations and details shall be shown on the final mitigation plans and subject to DSD approval. Critical area signs shall be installed along the fences to explain the type and value of the critical area.
4) Critical areas and buffers shall be protected in perpetuity with a Native Growth Protection Easement (NGPE) recorded on the property title.
5) Final wetland and wetland buffer enhancement plans are required for approval by the Issaquah Development Services Department (DSD) prior to issuing construction permits. Final plans shall include a grading plan, planting plan and a 5-year monitoring/maintenance plan with performance standards for monitoring success of the enhancement planting. The plans shall meet King County Critical Areas Mitigation Guidelines for monitoring performance standards.

The project site contains Cabin Creek, seven delineated wetlands and numerous intermittent streams. Cabin Creek stream restoration and monitoring was previously completed with Phase 1. The previous decisions allowed for wetland fills and established buffers at 50 feet. Since the Nationwide permit expired, the current proposal includes a new application and decision from the Corps. The current proposal has been modified to avoid stream impacts.

Quantity

With the addition of the building and paved areas, the storm water runoff will be increased. In addition to the storm water facilities constructed during Phase 1, stormwater vaults with a combined storage capacity

of 18,798 will result in a peak discharge of the 100-year storm event from 0.79 cfs to 0.49 cfs for Phase 2; and, from 1.22 cfs to 0.77 cfs for Phase 3.

Quality
Construction activities combined with the addition of impervious surfaces create the potential for water quality degradation. As with all paved, developed areas, this site will contribute some pollutants to ground and surface waters as the pollutants are washed off impervious surfaces into the storm drainage system. Pollutants which accumulate on paved surfaces include heavy metals, petrochemicals, and other potentially-harmful substances. Runoff from parking and access drives will be collected, detained and receive water quality treatment via a City-approved treatment method prior to discharge off site.

4. Plants:
The proposed action will eliminate all existing vegetation over approximately 20% of the site. It is an objective of the City to recognize the aesthetic, environmental and use benefits of vegetation, and to promote its retention and propagation. Revegetation of disturbed areas, removal of invasive species, and landscaping of the project site will mitigate for the vegetation removal.

5. Animals:
The considerable size and abundance of vegetation on the site combined with the proximity to expanses of undeveloped, off-site wetlands and open space provide valuable habitat for a substantial range of animals. The site likely provides habitat for a variety of birds and small mammals.

The proposed project would, for practical purposes, eliminate the habitat value of a large portion of the site. Proposed mitigation measures to enhance the area include providing vegetated critical area buffers and retaining a portion of the property as open space.

Potential impacts to the chinook and coho have been evaluated in the Biological Evaluation dated February 2016.

6. Energy and Natural Resources: Concur with checklist.

7. Environmental Health:
Hazardous wastes are generally defined as materials that can cause or significantly contribute to serious illness or death or, that when improperly managed, pose a substantial threat to human health or the environment. To qualify as a hazardous waste, a substance must meet one of the following EPA criteria: flamibility, corrosivity, reactivity or toxicity. There is no know evidence of any hazardous materials on the project site.

The proposed action will result in temporary noise impacts during construction. It is estimated that the noise level for earth-moving equipment reaches 70 - 80 dB(A) at the source. Both HUD and FHWA have determined that levels exceeding 67 dB(A) constitute an impact on residential properties; while the Department of Ecology has established maximum permissible noise level for residential properties in WAC 173-60-040. Therefore, due to the proximity of residential property, mitigation measures will be required to be incorporated into construction permits.

8. Land and Shoreline Use:
The site is designated for multi-family residential development by the Comprehensive Plan and is zoned MF-M, Multi-Family, Medium density residential. The existing land uses are as follows:

On-site: vacant, undeveloped
West: multi-family residential
East: single-family residential
North: multi-family residential
South: open space

The primary purpose of this district is to provide for medium density multifamily neighborhoods, in direct proximity to a variety of urban services and commercial uses. Duplexes, multifamily units and senior housing are permitted uses.

Kelkari is a multifamily residential development approved in 1998 with a total of 189 dwelling units in 9 buildings. Phase 1, with 63 dwelling units and a clubhouse was completed in 1999. The current proposal is for Phases 2 and 3; consisting of 72 residential townhouse-style units. With the current proposal, the total development would be reduced from 189 to 135 dwelling units. The buildings, access and site amenities are generally located in the same areas previously approved for development.

The Kelkari residential development received land use permit approvals including a Master Site Plan, Site Development Permit, and Binding Site Plan. The current proposal is for Phase 2 and 3 of the approved development and is subject to the land use code standards effective at the time of the original land use permit approvals.

In comparing the proposed use with the City's Comprehensive Plan designation and Zoning Ordinance District, the proposed action is consistent with the City's adopted plans.

9. Housing: Concur with Checklist

10. Aesthetics:
The proposed amendment to the existing Master Site Plan includes smaller buildings thereby reducing the bulk and massing on the site. Surface parking areas shall be screened from off-site views. Building architecture should be compatible with Phase 1 of the project.

11. Light and Glare:
New, potential sources of light and glare impacts from the project include: light and glare from automobile traffic accessing the site, reflections from building surfaces, direct and indirect building lighting, site lighting and street lighting. If mitigation measures are not implemented, light and glare from the proposed development could adversely impact adjacent uses, travelers on adjacent streets and adjacent natural areas. Appropriate mitigation measures shall be employed and reviewed with the ADSP and building permit applications to avoid adverse impacts resulting from light and glare. Proposed exterior lighting should be low intensity and properly located, shielded, hooded and directed to avoid off-site impacts.

The environmental checklist indicates that exterior lighting would be provided. At this time, it is unclear what type of lighting is proposed with the project as the specific type was not indicated. It is probable that the applicant will provide either wall-mounted or separate, pole-mounted lights for the exterior. For exterior lighting which is installed as part of this project, light heights should be placed as low as possible and fixtures should be hooded and shielded to minimize glare and spillage.

12. Recreation:
The construction of this project will add approximately 160 new residents (72 units x 2.2) to this area. Recreational amenities that were deemed adequate to mitigate for the recreational impacts of the entire project, including the clubhouse and trail system constructed during Phase 1, will be available to residents of Phases 2 and 3. Additional neighborhood recreational amenities will be constructed to serve the residents of this project.

13. Historic and Cultural Preservation:
This property has been previously graded/filled and there was no documented evidence of historical or cultural artifacts found on the site. The applicant has been working with Department of Archaeology & Historic Preservation who has issued a letter (7/13/2016) concurring it is unlikely that any artifacts of significance will be uncovered during this proposed action.

14. Transportation:
Short-term impacts on transportation will occur during the site preparation and construction activities. Longer-term impacts to the transportation system will vary in level according to the amount of traffic

generated by the development of the site. As the number of residential units has been decreased from the previous approval, the total number of traffic trips will be less.

The proposed export of soils will generate new vehicular trips and thus create temporary impacts to the existing network as construction vehicles access the site. The quantity of fill proposed to be exported (6,000 to 7,000 cy) will likely not cause a significant negative impact on the surrounding transportation network. Should this quantity be enlarged, the City will ensure that the proposed fill material hauling operation does not adversely impact the City's street and circulation network through review and approval of a haul route plan and schedule.

Each residence will have 2 parking spaces provided with this project. In addition, there will be 21 shared parking spaces near Phase 2 at the clubhouse area and 24 parallel spaces provided to benefit Phase 3. It is not expected an off-site parking impact will be created.

According to the Traffic Analysis provided by TENW:

Table 1
Kelkari Phase 2/3 – Net Trip Generation Summary

Time Period	In	Out	Total
Kelkari Phase 2/3 Trips Using Standard ITE Rates			
Weekday AM Peak Hour	4	23	27
Weekday PM Peak Hour	22	12	34
Weekday Daily	250	250	500
Net Change in Phase 2/3 Trips from Issaquah/Kelkari EIS			
Weekday AM Peak Hour	-9	-31	-40
Weekday PM Peak Hour	-32	-17	-49
Weekday Daily	-222	-222	-444

Source: Trip Generation Manual, 9th Edition, ITE, 2012.

With the reduction of 3 more dwelling units from 75 proposed in February 2016 to 72, the Net Change is increase to: 41 fewer AM Peak Hour, 50 fewer PM Peak hour and 462 fewer Daily trips.

Traffic improvements in the area were completed with Phase 1: Newport Striping; Widening Wildwood Boulevard; Share of traffic signal (56%); Clark Street Bridge Improvements. Because the unit count has been reduced, no additional transportation mitigation is warranted.

As part of the project, raised sidewalks would be constructed between existing sidewalks along Sunrise Place SW to each development area, as well as internal sidewalks along interior drive aisles to serve individual housing units. Given traffic volumes along Sunrise Place SW and interior to the project are low no separated or marked crosswalk treatments are warranted.

Provision for raised sidewalks between the public sidewalk facilities and the project site development areas and building frontages provide adequate separation between on-site vehicle and non-motorized

circulation. Additional direct connections to existing trails are also accommodated by the proposed pedestrian circulation system (CORE Design, Trail Location Exhibit, November 4, 2016).

15. Public Services:
The proposed facility will require normal police and fire protection associated with this type of use. The proposed buildings will be required to meet fire code requirements for fire sprinklers and hydrants.

16. Utilities:
All proposed utilities are available in the vicinity. The proposed project will require on-site extension of water and sewer service.

C. CONCLUSION:

Based on this analysis, the proposal can be found to not have a probable, significant adverse impact on the environment.

The City reserves the right to review any future revisions or alterations to the site or to the proposal in order to determine the environmental significance or non-significance of the project at that point in time.

Prepared By: Keith Niven, AICP, CEcD – Development Services & Economic Development Director